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THE
FIRST AND SECOND
LETTER

TO
A NOBLE EARL.

WITH
AN APPENDIX.

FROM
A MEMBER OF PARLIAMENT.

John Macpherson.

LONDON:

1797.

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LETTER
TO
A NOBLE EARL,
FROM
A MEMBER OF PARLIAMENT,
ON THE
LATE NEGOTIATION,
THE PRESENT SITUATION OF AFFAIRS,
AND
THE MEASURES
WHICH OUGHT TO BE PURSUED.

LONDON:

1797.

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TO

A NOBLE EARL

FROM

A MEMBER OF PARLIAMENT

ON THE STATE OF NEGOTIATION

THE PRESENT SITUATION OF AFFAIRS

THE MEASURES

WHICH OUGHT TO BE PURSUED



LONDON

MY LORD,

YOU are pleased to ask my opinion relative to the late Negotiation, the present situation of affairs, and the measures which ought now to be pursued. I will give it without any disguise or reservation; for the occasion demands it. But should your Lordship find that any of the arguments which I may adduce, have the least tendency to enervate the exertions in which all parties ought now to unite, for the support and extrication of the state, I am ready to abandon every inference that I may form, and even to suffer in your good opinion.

The present is, unquestionably, not a moment for opposition; and while we discuss with manly freedom the conduct of our rulers, we should be equally careful not to weaken their measures. The errors of our Administration cannot be the result of bad intention, nor originate in any wish to favour the views of the enemy. How-

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ever we may disapprove some of their measures, we must suppose them actuated by principles of loyalty to the Sovereign, and of attachment to the honour and interests of their country. They challenge, therefore, a right to our support; and even in our disapprobation of their plans, our object should always be to suggest other measures, which may lead to a more fortunate issue. Conscious of your Lordship's liberality of mind, and that your love of the public good, at a moment like the present, is superior to every party or personal consideration, I shall wave all further introduction, and proceed to state to you my ideas.

On a retrospect of the late Negotiation, and its unfortunate issue; independently of my unfeigned respect for the august authority which has sanctioned our Manifesto, I am ready to admit the truth of all the facts that are stated in that Declaration, and which are sufficiently verified by the official documents laid upon the tables of both Houses. I will as readily admit the fairness of the general reasoning which is connected with them. But I am, at the same time, clearly of opinion, that in the whole tenour of the *late*, as well as of the *former* Negotiation, there has been one omission:—and that omission is so radically

important, that it amounts, in my mind, to a fundamental deficiency, capable of vitiating, or of rendering ineffectual, every other offer and concession made with a view to peace. It is this. The *peculiar condition and position of the Directory*, of the power with which we have been treating, and from whom alone we can obtain the peace so ardently desired, have no where been an object of consideration. Indeed, it would rather appear, that this most important point has been studiously excluded from any amicable attention, throughout every stage of the proposed treaties.

Had those Negotiations been addressed to the *former* Government of France ; to a Government whose possession of power, instead of being founded on a revolutionary basis, was sanctioned by long prescription, hereditary descent, and universal opinion, they would have been perfect in every respect : and they would have produced the end proposed, on a supposition that the French Government had been disposed to treat with Great Britain. If the *new* Government of France possesses effectually the faculty of granting a solid peace, and if we are sincere in asking it of them, a frank and unsolicited renunciation of all direct or indirect

countenance to Counter Revolutions, which are aimed at the overthrow of that Government, ought to have been our primary declaration, antecedent to all terms and conditions whatever.

To talk to the Directory gravely of a “*status ante bellum*,” a “basis,” a “project,” or a “counter project,” and “compensation of conquests,” without first establishing on their conviction beyond a doubt, that *sine qua non* proof of our sincerity, is in fact to trifle with them, and to effect nothing. They may, from policy and necessity, listen with seeming respect to such details, and enter into discussions upon them; but in their hearts, they consider them as the covers of duplicity, enmity, and insincerity. *They have, they can have only one project: to secure their own power, with that of their party and their country, from all their enemies.* The enemy which they dread most, is a Royalist Counter Revolution, supported by England.

Let us look back, my Lord, to our own revolutionary governments; to those over which Cromwell and William the Third presided in this country, and to that which Washington conducted in America. When they concluded peace with foreign states, upon what basis did

they make it? I answer, upon the unequivocal recognition and establishment of their own power and situations, previous to every other stipulation. But, on the supposition that they had been situated, with respect to a great foreign contending nation, as the Directory now stands with respect to England; would not their first and most natural object have been, to obtain an unambiguous and solemn renunciation, in language the most explicit, against affording direct, or indirect support to any schemes or plans for undermining the government which they had established? and would they not have satisfied themselves of the sincerity of the power with which they were treating, before they signed a definitive peace?

But, my Lord, let us review the later periods of our own history. What was the primary and leading object of the policy of the Whig administrations which governed England, from the Revolution down to the commencement of the present reign? I answer, to secure the interior and exterior order of the state, as by law established, *from Counter Revolutions that might be attempted in favour of the family whom we had excluded from the throne.* If the Directory were soliciting peace from the Administration of this country,

the first instruction to their agents would naturally be, to accommodate their views and propositions to the satisfaction of the Government: and tacitly, to the continuance in power of the Ministers with whom he was to negotiate. It is idle to assert, that the Directory have neither hinted, nor formally proposed the stipulation alluded to. There is an eloquence in their silence, which speaks most forcibly. Their repeated dismissal of Lord Malmesbury; and the imputations which they have attached to the final rupture of the Treaty; these hints are sufficiently explicit, and cannot be misunderstood. It must, nevertheless, be admitted that our Government may have had reasons, drawn from the peculiar circumstances of the time, which in some degree justify their adherence to the ancient forms of Negotiation. In treating with the present French Government, as if it had not been changed, they might naturally hope to aid the restoration of the ancient order of things.

With regard to the actual position of public affairs, it is certainly, my Lord, most serious; but it is not, in many respects, so dangerous or critical as the one in which this country stood in the year 1781, and from which we

were fortunately extricated. The Minister of this day had not then come forward: but certain persons in Parliament, in the Cabinet, and near it, cannot have forgotten the dangers of that period; though they may have overlooked, in the tide of succeeding prosperity, some circumstances that contributed to the public safety.

England, in 1781, was without an ally, opposed to a most formidable confederacy, and convulsed in the interior by the discord of party. She had to resist the open war of France, Spain, and Holland, added to the indirect hostility of all Europe, in the "Armed Neutrality." The American war could not threaten more calamity in the West, than the Maratta war did in the East. The British army, which had marched to place an excluded and odious sovereign on the throne of Poona, had been compelled to retreat in confusion and distress. The Marattas, like the French of the present day, invaded in their domestic government, had conciliated their natural enemy, Hyder Ali, and induced him to pour his army into the Carnatic. He had desolated the country, and was at the gates of Madras. The treasuries of India were without either money or credit; while the Governor General of Bengal

was surrounded with the explosion of a civil war at Benarés.

Those who have the wish, or the curiosity, to inquire by what measure the Maratta war was all at once suspended, and the arms of that government ultimately turned against the enemy of England, have only to read the letter* sent on the 11th of September, 1781," from Madras, to the rulers of the Maratta state. A new system of policy relative to the Maratta nation, was adopted and announced in that memorable letter. *All interference, direct or indirect, in their interior concerns was renounced: the existing government was conciliated: and the friendship of its confirmed power was solicited against the common enemy.*

The war, from the moment of the receipt of that letter at Poona, was declared to be *wholly defensive on the part of England*. Orders to that effect were inclosed to the Maratta Government, which they were empowered to send, if they thought proper, to the British General commanding on the other side of India, and to the Presidency of Bombay. To those propositions and declarations, the authority of the King, Parliament, and East India Company, were pledged,

* See No. I. of the Appendix.

under a solemn engagement, signed by the Governor of Madras, the King's Commanders in Chief in India by sea and land, and a new member of the Supreme Council, who had just arrived from England, with the complete confidence and instructions* of the British Administration.

From the day that the letter of the "11th September, 1781," was received at Poona; as if by a charm, all hostility on the part of the Marattas ceased. The Governor General of Bengal entered into the spirit of the arrangement; and an empire was eventually secured for Great Britain in Asia, which more than compensated her loss of America. In September, 1786, that empire, at peace with the native powers of India; in amity and conciliation with all the foreign European establishments; with the vast arrears of its armies liquidated; with the institution of a new system of finance for the Bengal treasury, possessing unexampled credit; and a reform in its expenditure, amounting to no less than one million two hundred thousand pounds sterling per annum, was placed under the steady and temperate admini-

* See No. II. of the Appendix.

stration of Earl Cornwallis.* The wealth of Asia poured in upon England, and the commerce of the world came to her in its circulation.

Other events served to complete, and to sustain the national prosperity. A coalition, formed between two great parliamentary leaders, intermingled the relations of party, while it diverted the rage of faction. Its direction was pointed against those Ministers personally : but it was turned away from the Government. Nature had happily endowed them with a corresponding goodness of heart, in addition to their superiority of understanding. Their love for their common country was enlightened by the disastrous events which had taken place ; and they felt that their union was necessary to heal the wounds of the state.

The present Minister arose soon afterwards in the political world, and the confidence of the nation deservedly collected round him. Men, with natural predilection, saw in him the son and the pupil of the late Earl of Chatham. He successfully and systematically directed his talents to the security and elevation of the British finances ;

* See No. III. of the Appendix.

while those of France were sinking fast, from the consequences of her expensive expeditions to America and India. The spirit of party discord, which had been counteracted and diverted in London, seemed to have migrated to Paris. The new opinions which the French armies brought home from the Eastern and Western expeditions, began to ferment: and the ever memorable Revolution, which originated from a thousand progressive and combining causes, at length burst in the explosion of July, 1789.

England appeared at the same time to rise in influence, commerce, riches, and consideration, above the surrounding nations of Europe. But the deepest political wisdom is not always proof against the intoxication of unremitting success; and nations, like individuals, are exposed to calamities, from an overflow of prosperity. The experience acquired by preceding misfortunes, is soon obliterated; and the soundest advice is not unfrequently rejected or despised, because it implies, on the part of those who offer, a pretension to superior knowledge; or in those who might adopt it, a diffidence in the continuance of success.

Upon what other principle, my Lord, can it be

explained, that the lesson which the *paper dollars* of America had first taught, and which the *treasury orders* of Calcutta, in December, 1785, had still more recently impressed, was overlooked in the calculations of our Government respecting the *Assignats* of France? The disastrous issue of the march to Poona, *expressly undertaken for the purpose of replacing on the throne an excluded sovereign*, was equally forgotten by those who advised a march to Paris, in order to restore Lewis the Eighteenth. But here I am conscious that I touch on delicate ground. I would even studiously have avoided all allusion to a topic calculated to awaken reflections equally painful and unavailing, if the mention of those circumstances had not been indispensable, in order to place the subject which we are now discussing, in its proper light.

With respect to the measures necessary to be pursued in the present awful emergency, I will submit to your Lordship, without circumlocution or reserve, my well weighed and decided opinion.

The French Directory, in the memorable "Proclamation" which they have recently published, after the conclusion of peace with the Emperor, expressly state and declare in the most

formal manner, "that the quarrel of France is not with the *Nation*, but with the *Government* of England." Of all the declarations and menaces of French hostility, this, my Lord, is by far the most dangerous and alarming! It demands, on the part of England, an instant coalition of the best heads and hearts, to animate and guide our councils. The glorious spirit that inspires our fleets, which has been so triumphantly displayed in the late naval action, and the loyalty of our army, are not enough.—They must be directed by the unanimity of a selected Cabinet, in order to produce the best effect, either for the continuance of war, or for the acquisition of peace.

Mr. Pitt possesses, and I sincerely believe, merits, the *financial confidence* of the nation. But can it be denied that the variety of talents which meet in the character of Mr. Fox, added to his perfect knowledge of the courts, the languages, and the interests of Europe, may greatly assist in the delicate department of *foreign negotiation*, at such a crisis as the present? The union of these Ministers would at once impress France and Europe with a conviction, that we are a people not to be divided, when the public safety demands the sacrifice of private or political contentions.

Addresses from the Metropolis, the two Houses of Parliament, and the Nation, should recommend so salutary a union. The opinions which Mr. Fox has repeatedly urged for a Parliamentary Reform, were once, it must be recollected, those of Mr. Pitt. But, surely, Mr. Fox cannot, and would not wish that the vessel of the state should be remodelled, while she is at sea in a storm. Perhaps more mature reflection may convince him, that the principle of very extended suffrage, which as yet has neither given solid laws, nor secured the liberties of France, requires much consideration before it is adopted in a commercial empire, extended by its vast relations over almost every portion of the globe.

An Administration, constituted on the basis which I have stated, and animated by the spirit which I have recommended, would naturally select a nobleman of high rank, of conciliating manners, and above every imputation of duplicity or insincerity, for a renewed mission to the Enemy. When the object of that mission is the pacification of the world, and the happiness of many nations, every repetition of the attempt to procure peace, is glorious to the country which

makes it, while the rejection of its beneficent purpose will revert continually on those by whom it is eluded or refused.

An Ambassador, invested with such a mission, previous to his acceptance of it, should ascertain in the clearest manner, from his Cabinet, the following important points. He should ask them categorically and fairly, “Will you authorize me to open myself confidentially to the Directory, and to assure them, with the frankness of sincerity, that if France is really disposed to peace, *England will in no shape henceforward support or countenance any projects of Counter Revolution in favour of Monarchy?* If the renunciation of the title of “King of France,” or the restitution of the ships actually delivered up to us at Toulon, should be insisted on, may I give way upon those two points, so far as to satisfy the French Government? May I go further, and as an incontestable proof of our good will, say, that England wishes, such being in fact her interest, the consolidation of the present authorities in France, as being founded on a constitution analogous and congenial to our own in the important points

“ of elective representation, and the assessment
 “ of revenue by lawful taxation? There is still
 “ another, and a most interesting consideration
 “ to be stated. Shall I be authorized to propose
 “ *a solid and systematic good understanding, be-*
 “ *tween the two Governments*, calculated to sus-
 “ tain the organization of public credit, and spe-
 “ cially directed to the suppression of *internal*
 “ *anarchy*, the common and most dangerous ene-
 “ my of both countries? an enemy which is
 “ spreading the flames of destruction to every
 “ nation in Europe, and which menaces the over-
 “ throw of the *new*, as much as of the *old* govern-
 “ ments!”

It is only in the spirit of such propositions
 and declarations that an honourable peace can
 ever be obtained, or that the interior and external
 tranquillity of this country, and I may add of
 France, can be secured on solid foundations. A
 pacification on this basis would obtain for Great
 Britain, and for the world, the best and the only
real indemnity that can now be realized for the
 blood and the treasure which have been expended
 in this unhappy contest. It is by a speedy ter-
 mination of the war, on such a system, that the

best real services can be rendered to the unfortunate loyalists. Their eventual and surest chance of relief depends on the clemency of their countrymen and relations, worked upon by the thousand ties of affection, pity, and consanguinity, when every contest for power, contrary to the existing laws of France, is at an end.

I cannot conclude this Letter without conjuring your Lordship to take the measures here pointed out, into your speedy, and most serious consideration. I have subjoined, in a separate paper, (for the satisfaction of those friends who may wish to have proofs and not assertions,) copies of the confidential Letters of the British Administration of 1781, relative to the affairs of India. Extracts of official documents, numbered according to the order of reference, are likewise added. I could adduce other testimonies, calculated to elucidate and to recommend the plan of Negotiation proposed.

The difficulties which arose at Calcutta, on carrying into effect the *thirteenth* article of the Peace made with France in 1783, are now, in a great measure, forgotten. That article involved in it, nevertheless, the most important interests of the East India Company, the navigation of the Ganges,

and a very considerable portion of the revenue of Bengal. The hostilities to which its interpretation and execution gave rise, as well as the project of renewed, and of more dangerous, because unexpected war, which the French Government then had in contemplation, are in many points applicable to the embarrassments of the present Negotiation. The spirit of conciliation, and the liberal appeal to the common interest of both nations, which operated with such effect in amicably terminating those disputes, and which produced the Convention of Mauritius in April, 1786, might be successfully imitated in 1797. France may change her rulers, and alter her form of civil government: but no political convulsions will ever destroy that national character, which renders the French people equally alive to generosity, and awake to resentment. The union of our own councils would serve equally to meet the first, or to repel the last.

Without viewing our present position through the medium of despondency or pusillanimity; and without magnifying or exaggerating the dangers which surround us; it would surely, my Lord, become us to consider well the awful and extraordinary revolutions which have taken place

since 1789, at Paris, at Brussels, at the Hague, along the Rhine and the Po, as well as from the Alps to Corfu, and the coasts of the Adriatic. If we examine attentively the project of the enemy, we shall find that it is principally built on our supposed divisions at home. The parties which shook the old governments of France, of Flanders, of Holland, of the West of Germany, and of the North of Italy, had only *prepared their fall*. The successive invasions of the Duke of Brunswick, Dumourier, Pichegru, Jourdan, and Buonaparté, *completed their overthrow*. The first impulse of foreign attack upon any country, will shake that finance, which is the cement of every form of government. And when the fabric totters, it may be too late to unite; for the blow is given.

The enemy has thoroughly calculated the advantages of an attack upon England. A project of the deepest policy, founded on the experience of Italy, (which fell from a jealousy of its Imperial Defender, as much as by the address and valour of the invaders,) is fully matured in the French Cabinet. They have already announced it to Europe. Will any change in their internal Administration, with which we may flatter our-

selves ; or will any of those accidents to which all complicated military projects are liable, prevent the Enemy from persevering in those plans ? Their energy, sustained by enthusiasm, by their past victories, and above all, by the hope of an immense plunder, will probably stimulate them to repeated efforts, and may enable them to surmount every obstacle.

But, my Lord, let me ask, would Europe be sincerely sorry if such a project should meet at least with *partial* success ? Where is the Ally who feels a vital interest in our predominating prosperity ? On the contrary, what country does not regard with envy our extended commerce ? Is there any state, from Spain to Russia, which has not in its turn been rendered jealous of our maritime power, aggrieved by our fleets, or irritated by the intemperance of declamation in both Houses of Parliament ?

Let us not deceive ourselves : there is only one Ally on whom England can unalterably depend ; it is the honest character, the loyalty, and the spirit of her people, directed by the wisdom and united vigour of her councils. Let us secure that alliance in our own bosom ! let us declare to the Enemy and to the world, that “ we seek nothing

in this war, except the defence of our Constitution, Rights, and Liberties, upon the same basis on which those of surrounding nations must ever be acquired and maintained!" It is by such a proof of moderation on our part, that while we instruct, we may command the esteem and moderation of the Enemy. The British Empire wants no new accessions of territory, either in the East Indies or beyond the Atlantic. France will speedily learn that she has already acquired too much in Europe. At all events, the observation of one of our most illustrious statesmen, should never be forgotten. It is as sound in policy, as it is sublime in sentiment; "England arose to freedom and empire, by defending the rights of others; and secured her own liberties, by seeking them for mankind."

An impression has been artfully given by the French Government, and universally imbibed by the nation, that England in all her proceedings during the course of the present war, seeks only her own aggrandizement, and the destruction of a hated rival. The union of Royalists and Republicans, of the adherents of arbitrary power, and the partizans of Democracy; to indulge at

once revenge, rapacity, and indemnification in the vitals of England, is the watch-word and the signal of invasion. It is menaced, and impends. And can the parties in this country remain divided at such a moment?—Can the real friends of Great Britain, of the Sovereign, and the Constitution, be insensible to the danger?—Will they not rush forward to solicit union, to provide for our common defence, to avert the Enemy from our coasts, and to embrace a liberal system for the safety of Europe? The brilliant and astonishing success of Buonaparté in Italy, has inflamed and elevated the French people; while the profound policy and daring plans of the Directory have pointed the rage and resentment of *all parties in France*, to find a common centre of conciliation and interest, in the overthrow of our Government. It is the union of *all parties here* which can alone defeat the project. Neither the party of the Administration, nor that of the Opposition, if they were to-morrow in office, is separately equal to the contest. Their combined and unanimous exertions are requisite. Even in the event of so fortunate a co-operation of wisdom, influence, and strength, there is only one

plan of political conduct, which would meet, arrest, and pacify the storm.

That plan, the result of our united councils, would demonstrate clearly to the Enemy that we were prepared for both alternatives ; either, if they were so disposed, to make immediate peace with them, on a basis calculated to consolidate the established authorities in the two countries. Or, if they were obstinately bent on invasion, with a view to divide our people from the Government ; *in that case, and in that case only, we should be compelled, on a principle of self-preservation and defence*, to erect and support openly with all our power, the standard of Counter Revolution in the heart of France, which the Directory was attempting to fix on British ground. Let the first alternative, my Lord, be the wish of this united Empire ! let the last be its retaliation, if forced to such an act ! but let it not be forgotten, that the convulsions of the *attacking* power, are often only the spasms and efforts of its energy ; while the disunion of the *defending* power, has invariably, in every period of time, produced its destruction !

If these facts and reflections do not impress conviction on your Lordship, all further endea-

your on my part to enforce or recommend them,
would be unavailing.

I have the honour to be, with the most perfect
respect and attachment,

My Lord,

Your most obedient, and

Most humble Servant.

London,
15th November, 1797.



SECOND LETTER
TO
A NOBLE EARL,
FROM
A MEMBER OF PARLIAMENT,
ON THE
LATE NEGOTIATION,
THE PRESENT SITUATION OF AFFAIRS,
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LONDON:

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SECOND LETTER

A NOBLE EARL



DATE NEGOTIATION

THE PRESENT SITUATION OF AFFAIRS

THE MEASURES

WHICH OUGHT TO BE PURSUED

LONDON

1797

MY LORD,

THE public facts which are authenticated in the annexed Appendix, tend equally to illustrate the dangers that menaced Great Britain in the crisis of 1781; and to point out the measures by which those calamities were averted. The spirit of union which was so strongly recommended at that critical period, and which was carried to the Councils of India, produced the happiest effects. It gave, as it ever will give, the best energy in negotiation and in war. The system of renouncing openly all interior interference whatsoever in the affairs of the Maratta nation, not only laid the basis for peace with their government, but eventually conciliated their political friendship. Nor was the line of negotiation, adopted in the discussion of the claims of France, less successful. It explained those great common public interests, which ever ought to check the ambitious rivalry, or commercial jealousy of both

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countries ; and, while it treated the claims of the French *nation* with respect, it frustrated the ambitious projects of their *government*.

But the soundest and most vigorous system of foreign policy is unavailing, unless it is supported by corresponding efforts of internal finance. The measures of general reform, and of financial credit, which are authenticated in the annexed Appendix, and which were carried into execution in Bengal, are therefore the more interesting. These measures, independent of their effect in reviving the public credit of the Bengal Treasury, created a new progressive capital of nearly two millions sterling a year. So large a sum, returning to the state, through the various improving channels of commerce, customs, and interior taxation, sustained with ease the new national debt produced by the American war. A debt, which from its magnitude, would have crushed the frame of the British Constitution, and destroyed the independence of its Government, if they had not been supported by the resources of India !

How far, my Lord, the application of similar principles of union, energy, negotiation, and financial arrangement, might avail us in the present awful crisis, I leave to your attentive con-

sideration. It will perhaps be said, that no portion of present history applies precisely to the past; that the misfortunes, domestic and foreign, which now impend, are of a description altogether new; and that we cannot fairly draw inferences taken from the state of affairs in 1781, to the condition of England at the close of 1797. If, nevertheless, we compare the two periods of time, let it not be forgotten that in 1781, the British navy was in a state of inferiority. The combined fleets of the enemy had been in possession of the Channel, while the veteran regiments of England were employed in America and India.

A late celebrated orator, whose opinions in the American, as well as in the French Revolution, will be long remembered, thus opened an awful debate, which took place in the House of Commons, in November, 1781. "The tale of calamity is short. All is lost! The army at York "Town has surrendered!" The declaration of a great efficient statesman and minister in another House, nearly at the same period, was not less desponding. He asserted as a fact, of which no doubt could be entertained, "that the sun of "Great Britain's prosperity was set!"

The letter, addressed to the British Minister

from St. Helen's, cited in the Appendix, was more just, and more prophetic. That Minister, by yielding to the storm, averted its fury; and by subsequently uniting with his former opponents, he not only obtained their aid, but directed the current of faction into another channel, which though injurious to himself, was beneficial to the state. He lived to see his country "as rich as ever she had been in her laws and liberties." The British "*Constitution* was preserved;" and India, under the system of union and reform which he had traced out, effectually "did the rest." The sun of Great Britain's prosperity was obscured, indeed, for a moment; but it rose in augmented splendour.

India, my Lord, may still "do the rest," and more than meet the additional expences of the present war, however vast, if the British Constitution is preserved from revolutionary violence. A territorial, unmortgaged, revenue in cash, of seven millions sterling a year; the productive industry of twenty millions of the best disposed subjects in the world: of men satisfied with the enjoyment of their climate, their religion, and a third of the produce of their labour: these advantages may be easily secured to Great Britain; while the productions of India are annually

transported to the Thames, by a commercial navy nearly amounting to a hundred ships of the line.

With such resources within her command, how, let me ask, can England be reduced to distress, or menaced with bankruptcy? The recent additions made to the national debt, prodigious as they are, will not be found insupportable, if we are not wanting to ourselves. Our enemy and rival is aware of this truth, and has weighed it thoroughly. The Directory have prepared their plan in consequence. They trust to the disunion of our statesmen and parties. They have resolved to strike, at once, at the Constitution and at India, by an invasion of England. In London, they mean to crush the one, and to conquer the other.

Believe me, my Lord, whatever the French Government may assert, or menace, in their addresses to the people of France; they trust for success, neither to the enthusiasm of their armies, nor to the talents of their generals, nor to the terror inspired by their past victories. It is in our still existing animosities, that they look for their most effectual auxiliary. They are not mistaken. The true friends of our Sovereign, our Constitution, and our Country, are lost in amazement

at the scene which presents itself. They have expected from the embarrassments, if not from the patriotism of the Minister, that he would call upon his opponents. They have fondly anticipated the moment when he would say to them, “ The dispute betwixt us is now no longer about differences of political opinion; the origin or conduct of the present war; the advantages of Continental connections, or the acquisition of distant dominion. It regards the existence of the state, and the preservation of every thing dear to us as men. The enemy has united, and concentrated the force of all their parties, in order to attack us here in our own island. Shall we not imitate them by uniting to defend it? I call upon all who ever opposed me, to come forward. I am ready to divide with them every power attached to my office, or my situation: to form a Cabinet of united talents; and to repel, with combined energy, the plan which our enemies have proclaimed, for the destruction of our common Country!”

Had the Minister felt the magnitude and certainty of the danger which impends, he must necessarily, as the friend of the Constitution, have felt sentiments such as these. The great talents

which have withdrawn their aid from the public service, must in that event have been roused to action. Union would have pervaded and invigorated the deliberations of Parliament. The dignity which ought to characterize such a body, and the moderation which is at once the test of dignity and of force, would thus have replied to the proclamations of France. “ The people of
 “ England are united : they are not to be divided
 “ from their Government ; still less are they to
 “ be either allured, or menaced from their duty
 “ to themselves, and their allegiance to the Con-
 “ stitution under which it is their happiness to
 “ live. They wish the people of France, and
 “ the states of Europe, to enjoy prosperity and
 “ felicity under the constitutions of their respec-
 “ tive governments : for they are sufficiently en-
 “ lightened to know, that the prosperity of all
 “ civilized nations, is formed of a common stock.
 “ If there are points upon which the British Go-
 “ vernment has improperly interfered with the
 “ existing Government of France, let those points
 “ be specified, in order that justice may be done,
 “ and peace restored between the two nations.
 “ But, if the people of France, inflamed by ha-
 “ tred to Royalty, misled by the delusions of
 “ the ambitious, or intoxicated with their past

“ success, will not listen to remonstrance and
 “ conciliation: if, impelled by a principle of
 “ mistaken vengeance, they invade the British
 “ coasts; the calamities which must attend the
 “ attempt, cannot henceforward be attributed to
 “ the want of justice, or to the spirit of aggres-
 “ sion and ambition, in the representatives of the
 “ British nation.”

Such a declaration, equally firm and conciliating, made by an unanimous Parliament, would open the eyes of the French *people*. It would equally do away the imputations of insincerity and hostility, which the French *Government* have endeavoured, not without success, to attach to the propositions of our Ministers, and to the language of our late Manifesto. The present, my Lord, is not a moment for the little forms of diplomatic discussion and negotiation. Every day, every hour is precious. The last declaration of the Directory states, that “ the Councils of France are
 “ unanimous in their resolutions of vengeance
 “ against this country.” But whatever the Directory may assert, no such resolutions have yet been formally adopted. On the contrary, the last unanimous determinations of those assemblies are collected from the report of the “ 21st of August” last, upon their finances.

The Council of Five Hundred, in committee, pronounced on that day their unequivocal desire for Peace, founded on the re-establishment of public credit, in the following remarkable words.

“ Que la finance fixe donc toute notre attention! il faut en fin briser les préjugés attachés aux impôts indirects. La paix! La paix! Voila, surtout, le moyen de sortir de l'embaras que nous éprouvons. *Combien ils seroient coupables, ceux qui voudront l'éloigner encore!*”

These sentiments, my Lord, were in perfect unison with the spirit of the motion, made in the British House of Commons, on the “ 10th of the preceding April,” for the restoration of peace. The great financial basis upon which that motion was founded, had been previously published. It had even been translated, and circulated over Europe: it opened to all the ranks of society who felt the oppressions of the war, and even to the French army itself, the only rational prospect of relief and remuneration.*

* The prosperity of all the co-estates of Europe is connected with the common cause of PROPERTY, PUBLIC CREDIT, and the independent RIGHTS OF NATIONS. On this general and conciliatory ground, the dispute between

Are not *we*, then, the people of England, justified in exclaiming, with the Council of Five Hundred in France : “ How criminal are those
 “ who have repelled to such a distance, the conclusion of peace, upon this equal basis of
 “ consolidated Finance, and reciprocal Public
 “ Credit ! ”

Whether the crime of this heavy accusation,

the French and the British nations, will, or at least, ought now to become a generous emulation in favour of the interests of mankind, both in their individual, collective, and political character. Quickly after the return of peace, founded on such a basis, Agriculture and Commerce will re-establish the bonds of reciprocal advantage ; and the sums heretofore swallowed up in a war without bounds, will be, in future, employed to fund and to liquidate the immense debts contracted by the two nations. Funds will be set apart in order to provide, with ease, for the necessities of those who have served, or suffered, during the war. General order will necessarily and spontaneously establish itself in the Finances. It will prove a bond of union between the public creditor, the landed proprietor, and the industrious manufacturer ; *and compel them to support the interior order of the Government under which they live, as well as the exterior tranquillity of their country.* Such was the civil and political regeneration which the French Revolution announced in its first declarations. Such is the amelioration of the political system of Europe, which is to be desired, after the contest that has taken place in the present war. Outline of the Political Principles upon which Peace may be made between France and England. Circulated in March, 1797.

is to be exclusively attached to the *ambition* of the *French* Government; or, whether it may with more justice be imputed to their want of confidence in the *sincerity* of that of *England*; time, and the *disclosure of certain facts*, can alone clearly demonstrate. The severest of all calamities, continued war, and *accumulated taxation* are, in the mean time, entailed upon both countries. It is besides evident, that the rulers of the French nation, have been too successful in impressing upon the minds of that people, a decided conviction that all their misfortunes have originated from the hostility, enmity, and ambitious policy of the British Administration. The necessary consequences of such a conviction, must be a belief that their sufferings can neither be terminated nor relieved, except by the overthrow of our Government.

Men of the most upright intentions, and even of superior understanding, are nevertheless, too easily induced to believe, that in reasoning with an enemy, they are guilty of a weakness approaching to national degradation. They are imperceptibly led to attribute the crimes and guilt of a few tyrants, to the mass of a nation. Their political creed is short; and while it professes the love of virtue, order, and

morals, it becomes subservient to their prejudices and their passions.

“ It is not merely with the French *nation* and “ *people*,” say they, “ that we are at war. It is “ with French *principles* that we are contending: “ unless we conquer and destroy those principles, “ we are worse than conquered. Nothing except “ a Counter-revolution can save France, or pre- “ serve Great Britain, and perhaps Europe, from “ final subversion.”

It were time lost to observe to men who reason thus, that the event which they mean by a *Counter-revolution*, is as impossible in *politics*, as a *counter-earthquake* in *nature*, which would replace edifices and cities as they stood previous to the explosion. Neither can they be made to conceive the simplest and clearest of all truths; that every impulse given to effect a Counter-revolution, operates necessarily by reaction, to produce a revolution in the quarter from which the impulse is given. The known laws and principles of motion might demonstrate the fact physically, if the impulse from the old Government of France to produce revolution in America, had not better exemplified it practically and politically.

The reaction of the invasion of Great Britain,

now meditated by the Government of France, was early announced as a necessary consequence of the attempts made by us against that country. But, the Counter revolutionists would not listen; for they were fighting “against French principles.” If by French principles, they meant the *political* principles of the Government of France, events have sufficiently testified, that in combating, they have only strengthened those principles; or rather, fought in their favour. If by the term French principles, the *moral* principles of that Government are meant, the crusade, it must be owned, has not been auspicious. The divine truths of our religion certainly inculcate a different policy. Reason, and the uniform experience of every age, might, besides, have shewn to the most obstinate political zealot, that opinions are not subverted, like battlements, by cannon. The followers of Mahomet fought, indeed, against principles: but Christendom has frustrated and set limits to the sanguinary zeal of the followers of the prophet.

It is of the utmost consequence, my Lord, to obviate the delusions of these political errors; and the more so, as they are apt to strike the deepest root in well disposed and virtuous minds. Their operation has been facilitated, and their fa-

vourable reception secured, by the efforts of emigrated French genius, suffering in the cause of royalty, honour, and religion. The uniform watchword of that party, since 1792, has been, “ Tout, ou rien ! la Contre-revolution, ou l’Europe perdue ! ” By unfortunately attempting to engraft Counter-revolution on the financial project of peace, which was brought forward in the Council of Five Hundred, on the 21st of August last, they occasioned the convulsion of the 4th of September. The necessary consequence of their injudicious and impracticable struggles, is the plan of connected invasion and revolution in England, proclaimed in the late Manifestos of the Directory.

Remark, I beseech you, my Lord, that in the *last* of these proclamations, dated only a few weeks ago, the Directory, ever anxious to persuade France and all Europe of their own ardent desire of peace, and not less interested to fix the continuance of the war on the ambition and supposed insincerity of the British Government, makes the following very interesting assertion.

“ Le Gouvernement Britannique sait assez, qu’il pourra mettre fin à cette guerre, aussitôt qu’il voudra parler à la République Française un langage qu’ on puisse *entendre* ; et qu’ on puisse croire *sincere* . ”

If it appear that the language here used, is the same in effect with the stipulation made in the *fourteenth* article of the treaty of peace lately concluded between the Emperor and France; how, let me ask, can your Lordship's friends remain absent from their public duty in Parliament, at the present moment? why do they not come forward to ask, nay, to challenge, from the enemy, an explicit declaration of their meaning? An Address to the Throne, moved with a view to produce such an explanation from the Directory, is equally due to the interests and the happiness of both nations. It would be the noblest ground for real unanimity in the British Parliament, and would, probably, be followed by the happiest consequences.

Should the result of such an Address as I have suggested, lead to eventual stipulations between France and England, similar to those laid down in the *fourteenth* article of the Peace recently concluded between the French Republic and the Emperor; the most important service that human virtue or wisdom can render to humanity, is begun. For your Lordship's satisfaction, I shall transcribe the article itself.

Tho the *fourteenth* in number, it is *in fact* the

first in the real business of the Treaty. It declares, that "XIV. Les deux parties contractantes, également animées du desir d'écarter tout ce qui pourrait nuire à la bonne intelligence heureusement établie entre elles, s'engagent de la maniere la plus SOLEMNELLE, à contribuer de tout leur pouvoir au maintien de la TRANQUILLITE' INTERIEURE de leurs Etats respectifs."

To a superficial, or careless reader, it may appear as strange and unnecessary, as it certainly is novel, that two States should bind themselves in so solemn a manner, reciprocally to maintain the *interior tranquillity* of their own subjects and people. The fact, nevertheless, is, that this stipulation constitutes the essence, and the most binding cement, of the treaty. Europe, my Lord, and the human mind, since 1789, have undergone a vast revolution. It is by the maintenance of the reciprocal *interior order* of their respective governments, that the two States must henceforward ensure their *exterior tranquillity*, relative to each other. Or, in other words, *that they enchain every attempt to produce reciprocal Counter-revolution.* That stipulation, my Lord, founded on the basis of consolidated Finance, forms the spirit of the outline of Peace,* which had been circulated throughout

* See the "Outline," page 10.

Europe; and which was the avowed object of the motion made on the “ 10th of April ” last, in the British House of Commons.

It is unnecessary for me to dwell longer upon this subject: and I have only to entreat your Lordship to compare the reasoning in my first letter, which I had the honour to address to you, with the spirit of the *fourteenth* Article of the Peace, recently concluded between France and the Emperor.

The most important and momentous object of inquiry yet remains: I mean, what must be the necessary and inevitable result of the present war, as it may primarily affect our own Finance: and eventually, our interior order and government, if it is carried on without a most explicit and public refutation of the charges made by the enemy, against the alledged ambition and insincerity of the British Administration.

How, my Lord, are these serious charges to be refuted? How is the French nation to be undeceived? How is our own to be indissolubly united? And, lastly, by what means are the Monarchy and the Constitution to be preserved inviolate?

I venture to answer, that there is only one

road which can conduct to these most desirable purposes. It is by the union of talents, and exertions in the Cabinet, joined with that liberality, conciliation, and steadiness of system, which I have endeavoured to recommend in my first address to your Lordship. Upon that system, and upon that system alone, the Throne, the Church, the Legislature, and the People, will find their common and indivisible security in the preservation of the Constitution : while, at the same time, the Constitution will remain unviolated and permanent.

The recent example and experience of France must certainly have explained to *every* order of our state, their *common* danger, in the destruction of any *separate* order. Even universal suffrage, *which did not attach taxation universally and equally to property of every description*, became in France the greatest and most universal misfortune. It seized, progressively, for its funds, the lands of the Church, the Crown, the Nobility, and the higher order of Proprietors, to the destruction of all those classes ; while thousands of the people were massacred or executed, the necessary victims of that unjust and unequal system of taxation.

Can the British Legislature be insensible to so

recent and so awful a lesson? If the union of those great talents, which are to be found in the two Houses of Parliament, were effected; if, at a moment like the present, they were brought into liberal co-operation, they would do the reverse of what has happened in France. They would justly and systematically proportion the weight of taxation, universally to property; and thereby realize the real advantages of universal suffrage, without its evils and its dangers. They would mix the landed interests of the *Crown*, and the stipendiary interests of the *Church*, with a *general and equal Land Tax*, indissolubly united with the property vested in the *Funds*. By measures of such energy and wisdom, they would establish an inexhaustible finance for the Empire; while, at the same time, they divested revolutionary rapacity of every temptation; I may add, of every capacity of destruction.

Plans for effecting those great, desirable purposes, as simple and as intelligible in their principle, as they would be found easy and effectual in the practice, are ready to be brought forward.

But, my Lord, what can the best plans, or the soundest maxims of policy avail any state, even

when, like ours, it may be said to command the resources of the universe; if its statesmen and parties, in and out of office, are determined to act with a rancour against each other, which supersedes and annuls their obligations to their country?

They should, they must, my Lord, be called upon to unite; or the state, to save its existence, must, of necessity, as was foretold at an early period of the French Revolution, “*adopt a new system of policy.*”

Let our parties beware, my Lord, of driving a great country to such a necessity! Look round at the state of Europe! consider the disposition of the human mind, and the example of Revolution! Turn your view to the peculiar state of this country, and of this capital! We have hitherto, from the glorious Constitution which we enjoy, and from the diffusion of property, escaped the effects of revolutionary frenzy. Our navy may always be depended upon. Above all, our best auxiliary, the affection and loyalty which we bear to the order of events under which we and our ancestors have been happy, has raised an apparently impregnable rampart round us. But five years of a war, varying in its ostensible

object, yet accumulating its taxations, has sensibly affected the public mind. It is not yet, however, too late to compose it. But, if our parties continue insensible to the approaching danger, the state will naturally survive the shock; while those who have been the causes of its convulsion, must, in their own, expiate the general misfortune.

I have the honour to be, my Lord, with the most perfect respect and attachment.

Yours, &c.

*London,
16th December, 1797.*

Young, C. C. 1890

APPENDIX
TO THE
FIRST AND SECOND
LETTER

ADDRESSED TO
A NOBLE EARL.

LONDON:

1797.

APPENDIX

TO THE

FIRST AND SECOND



OF THE

ROYAL SOCIETY

LONDON

1737

T A B L E
OF THE
C O N T E N T S.

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No. I.

Confidential Instructions of the Administration of 1781, relative to the Government of India.

FROM the period of the establishment of the Government General of Bengal, by act of Parliament in 1773, the first Lord of the Treasury, became in fact and acted as, the Minister for India. In 1781, the East India Board of Controul had not been constituted. The efficient business of that department was then conducted by the Secretary of the Treasury, John Robinson, Esq. who concerted with the Chairman of the East India Company, the political part of their dispatches; and corresponded, under the immediate inspection of the Minister,

Lord North, with the members of the Government General in Bengal. The Company's dispatches of the " 2d of February, " 1781," were accordingly written, and given in charge to the new member of the Supreme Council, then on the point of his departure for Bengal. The Secretary of the Treasury likewise delivered to him confidential letters for the Governor General, the Governor of Madras, the separate members of the Supreme Council, and the King's Commanders in Chief by sea and land, in the East Indies.

The following extracts of the letters to Mr. Hastings and Mr. Francis, trace, in general terms, the great outlines of the system which the Administration of 1781 wished to pursue in India.

*Extract of a Letter to Warren Hastings, Esq.
Governor General of Bengal, from the Se-
cretary of the Treasury. Dated "19th Fe-
bruary, 1781."*

"From the moment I saw glimmering hopes that the end so very advantageous to the public, and so much wished for, could probably be attained, and that there was a chance of bringing about an *union of councils*, to proceed in the *great work of forming and establishing a system of government, to give prosperity and security to our possessions in India, and permanency to the empire there*; I desired most anxiously to forget all that was past, and to look to these great points in future. Your friend, Mr. John Macpherson, being sent out to you, as the successor to Mr. Barwell, is a strong proof of these sentiments being the object of persons at home. His mild temper, conciliating manners, and good sense, will, it is hoped, bring about an union in councils, and the rest will consequently follow. To attain these great and desirable purposes, every endeavour, every means, and every exertion, on my part, shall be used. I have written thereon to every member of the Supreme Council of Bengal, and to Lord

Macartney, and Sir Edward Hughes ; and I most fervently wish this may have weight. *Mr. Macpherson will shew you all.* He is perfectly acquainted with every sentiment of my heart relating to India ; and to him, in whom I know you have confidence, I refer you. He will, perhaps, tell you that I am enthusiastic about India, and *look up to it as the salvation, as the wealth, the grandeur, the glory* of this country. I have heard you do not differ much from these ideas ; and I feel bold in them, from having your knowledge and your abilities concurring with me. *Unite : reform real abuses :* form a system of government, on *sound principles of justice and equity* ; and abundance, extensive commerce, and riches will flow from it to the *whole empire*, and honour to you all. In this conduct you will meet with not only the support of all here, but with public applause and approbation. Divisions at home, and the present state of the times, prevent our getting forward with that part of the system which it is necessary to do at home ; but things are preparing for it, and you will probably hear the outlines of it by the last ships of the season. You have much, however, to do with you, (very much indeed, in my opinion, as you will find from Mr. Macpherson) ; for here, only general rules can be laid down.

With you, the *execution* not only of the *general system*, but also of its IMPROVED PARTS, must rest; and thereby secure the good government of those countries, the extension of our trade, and the increase of the wealth of the empire in peace and security; which that you may attain, believe me, is the sincere wish of one who assures you, that he will be happy to labour with you, to these purposes, and is with the greatest respect and sincerity,

“ Your most faithful humble servant,

“ *John Robinson.*”

*Extract of a Letter to Philip Francis, Esq.
Member of the Supreme Council, from the
Secretary of the Treasury. Dated “ 19th
“ February, 1781.”*

“ I cannot permit Mr. Macpherson, who is appointed to succeed Mr. Barwell in the Supreme Council, to proceed to India, without thanking you for your letter, and begging leave to say a few words, by way of introducing Mr. Macpherson to you. Although Mr. Macpherson stands as the ac-

knowledge friend of Mr. Hastings, yet be assured, that you will find him a person determined to act in every thing most sincerely, and most cordially, for the public good and service ! These are his fixed resolutions ; and these declarations he will personally repeat to you. You will find him sensible, judicious, cool, conciliating, and most anxious at all times, in every respect, to bring about an union in your councils ; and active to form a system of government with you, that may correct abuses, promote the prosperity of the country, and give peace, security, and permanency to your possessions. I trust that I do not say too much for him, when I give you these assurances ; and as it will redound very much to all your honour, to attain these great purposes, so you will most certainly meet with every support from home, and much applause.

(Signed)

“ John Robinson.”

Peace proposed to the Marattas.

No. II.

Letter, addressed to the Maratta Government. Dated " Madras, 11th September, " 1781."

" Mr. Hastings, the Governor General for the affairs of the English in India, has no doubt informed you of the wishes of the Company, to establish a peace between them and your government. The steps which he is pursuing to settle this desirable business, cannot fail of being attended with success, when supported by the orders just arrived, not only from the Company, but from the King of Great Britain, our just and most illustrious Sovereign.

" These orders, issued at a time when the news had arrived in England of conquests by General Goddard, and when vakeels had brought letters to the King and to the Company, from Raganaut Row, with great offers; speak most forcibly the justice, the wisdom, and unalterable determination of the Company, of the King, and of the whole English nation, to adhere to the

maxim they had long since adopted, and declared in their instructions to their servants; of remaining satisfied with their possessions in this part of the world, without aiming at new conquests, but living in peace and amity with all the powers of India.

“ Such has been the indignation felt at the infraction of those wise and pacific maxims; and notwithstanding the accounts of successes gained by the English arms, and before any knowledge of the invasion of the Carnatic, so peremptory have the late orders been for an immediate obedience to the former instructions, that we, Sir Eyre Coote, Commander in Chief of the King’s and Company’s forces over all India: Sir Edward Hughes, Commander in Chief of his Majesty’s fleets; Lord Macartney, Governor of the coast of Coromandel, and one of his Majesty’s Privy Council, and Representative of the Crown on divers occasions in Europe and America; and John Macpherson, Esquire, Member of the Supreme Council of Bengal, appointed under the authority of Parliament, and just arrived in this country from England, charged expressly with the said orders; write to you this joint letter, with a view to carry them into execution. And we have further requested the Nabob, Waulau

jau Behauder, the ancient friend of our nation, to write to you his information.

“ The orders are, *to settle immediately a peace*, and establish a treaty of friendship with your government; which will be ratified by the King and Parliament of Great Britain, and which cannot be altered or infringed by any surdars or servants of the Company.

“ As a proof of our respect for, and obedience to those orders, and in the fullest confidence of a suitable return on your part, we do not hesitate to send at once to General Goddard, and to the Presidency of Bombay, the Company's commands to cease immediately all hostilities against you; not doubting but that you will at the same time direct hostilities to cease against us.

“ We request that you will be pleased to write, without delay, to the Governor General and Council, the particular stipulations of the treaty of peace and everlasting friendship, which you may desire to have established between us, under the authority of the King, the Parliament, and the Company.

“ And as we know already in general what your wishes are, and as we are ordered and empowered to bring this affair to a happy conclusion, we hereby pledge to you, in the most solemn manner, our respective honours, not only upon our

maxim they had long since adopted, and declared in their instructions to their servants; of remaining satisfied with their possessions in this part of the world, without aiming at new conquests, but living in peace and amity with all the powers of India.

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“ We request that you will be pleased to write, without delay, to the Governor General and Council, the particular stipulations of the treaty of peace and everlasting friendship, which you may desire to have established between us, under the authority of the King, the Parliament, and the Company.

“ And as we know already in general what your wishes are, and as we are ordered and empowered to bring this affair to a happy conclusion, we hereby pledge to you, in the most solemn manner, our respective honours, not only upon our

own parts, but upon the part of the Governor General and Council, and in behalf of the Company, and the King our master, and the British nation, that every just satisfaction shall be given to you, in a sincere and irrevocable treaty.

“ After these assurances, you have before you the alternative of peace or war. The evil and fatal consequences of war, if you should be bent upon it, will hereafter rest upon you. If you join with us in preferring peace, you will at the same time enjoy all the advantages which our friendship will be willing and able to afford you.

“ May God grant you wisdom to make a just and proper choice!

(Signed)

“ *Macartney.*

“ *Eyre Coote.*

For “ *Sir Edward Hughes.*

“ *John Macpherson.*”

The Secretary of the Treasury addressed letters to the same purport, and under the same date, to the other members of the Administration in India. The

more detailed instructions, concerted after a conference with the Chairman of the Court of Directors, were delivered to the new member of the Supreme Council charged with those dispatches. The spirit of them will appear with best effect in the public letter, written soon after his arrival at Calcutta, by the Supreme Board, to the Company, on the "16th October, 1781." That letter was drawn up, after he had ascertained the sentiments of the Governor General, then absent at Benares; and after much deliberation with the Governor of Madras, Sir Eyre Coote, Sir Edward Hughes, and Mr. Wheeler, the other member of the Supreme Council. Mr. Francis having intermediately returned to Europe, did not receive the letter from the Secretary of the Treasury, addressed to him.

The public dispatch of the "16th October, 1781," from Bengal, to the Court of Directors, is a very remarkable document, and merits perusal; as it details a system

to which the Board solemnly pledged themselves, for the restoration and future security of a great empire, involved at the time in most critical circumstances. It was, in fact, an official answer from the Administration in India, to the orders of the Directors, of the " 2d of February, " 1781," and to the confidential instructions of the Administration at home. It entered into a solemn engagement with the state, to perform, to the utmost, the duty that was required. It called upon the Court of Directors, under every obligation of reciprocal responsibility, to co-operate, and to fulfil their part of the engagement. The court were bound by law, to transmit copies of all the dispatches from India, to the Minister, who, if necessary, would lay them before the high tribunal which had constituted the India Government. Thus the system of the Administration of 1781, obtained from the Government of India, the most authentic and solemn engagement for its execution; secured the steady support

of the Company at home ; and was placed, as far as a great and well laid plan can be insured, within a certainty of success. The credit which is justly due to the Secretary of the Treasury at that time, for his labour in digesting so beneficial a plan, and his future steadiness in adhering to it, he never was anxious to claim. But it must equally remain a source of honourable satisfaction to his own mind, and a permanent title to the esteem of his country.

The deep impression which the member of the Supreme Council, who was immediately charged with the plan, had conceived of its importance, its practicability, and the prospect of its success, was such, that he concluded his letter to the Minister, as he was sailing from St. Helen's, on the " 12th of March, " 1781," with the following sentiment.

" Whatever the fate of America may be,
 " and whatever the calculations of our debt
 " may prove, your Lordship will, I am confident,
 " after the storm is over, enjoy the
 " happiest satisfaction that a British Minis-

“ter can possess ; that of having maintain-
 “ed your country as powerful, and as rich as
 “it ever was, in her laws, her liberties, and
 “her constitution. *India will do the rest.*”

The public dispatch of the “ 16th Octo-
 “ber, 1781.” from Bengal, above alluded
 to, after promising *union in Council* ; the
 adoption of every possible measure for the
termination of the Maratta war ; and an at-
tack upon Hyder Ali, in his own dominions,
 in order to recall him from the Carnatic ;
 contains the following remarkable para-
 graphs.—18 to 25.

Extract from the General Letter of the Su-
preme Council, to the East India Com-
pany. Dated “ Fort William, 16th Octo-
“ber, 1781.”

Paragraph 18 to 25.

“ As your servants, we most solemnly pledge
 ourselves to you and to our country, that, to the
 utmost of our ability, we shall endeavour to ma-
 nage your affairs upon the principles of main-
 taining your faith inviolate to your allies, and

dependants; of defending effectually the dominions we possess, unambitious of extending them; of cultivating a general system of confidence with the country powers; and of retrenching every possible expence, and cherishing that industry in manufacture and cultivation, which constitutes the chief value of remote dominion to any state.

“ These we consider to be your own objects; and such are the great lines of conduct, which from the general spirit of your orders, you have ever wished your ruling servants to pursue.

“ But, gentlemen, much depends upon your *hearty concurrence and support*, unmixed with the influence of any prejudice to enable your servants here to execute those desirable and great public purposes. And if ever there was a crisis, when the affairs of these distant dominions, blended as they are with the general prosperity of our country, called upon the duty, spoke to the affection, and appealed to the honour of those who hold such great trusts from the public, this is the crisis! We say no more upon this subject, than that we feel its emergency; and that it is not only with the zeal of good servants, but with the grateful sensibility of good citizens, that we wish to discharge our duty.

“ Your Governor General has convinced us,

that his utmost ambition is to unite with us most cordially, in carrying on the public service. It is from his experience, great knowledge, zeal, and ability, acting in harmony with our best endeavours, that we hope not only to restore your affairs to prosperity; but, to establish that prosperity upon a permanent and regular arrangement.

“ Our first care shall be to draw out with him a *regular system*, upon which we may all agree, to conduct your affairs in their two great branches of *politics* and *commerce*. A work which has never yet been formally adopted by your administration, and afterwards submitted to your approbation, by the united voice of this government. A work which is absolutely as necessary in the guidance of great and various political affairs, as a plan of order is essential in the arrangement of the common transactions of life.

“ It has been from the want of such a work, or system, that opposite interests have been pursued in your different presidencies, and that measures change with the administration of different men.

“ We shall be able to send you by the ships of this season, an investment to the amount of upwards of one crore of rupees.* We are re-

* A million sterling.

solved, at every hazard of disbursement, to supply regularly this great source of the Company's support. Sooner than it should not be supplied, we would cheerfully forego our own allowances; and, after giving such an example to your servants, retrench every possible advantage they could spare. Without the advances for the investment, the productive industry of these provinces would cease. Without industry, cultivation would stop; which would speedily end in the depopulation and ruin of the country. Our object in dwelling so forcibly upon so obvious a concern of your interest, is, that it may stand in an equally strong light, not only to your consideration, but to that of the state at large, in every possible change of the public management.

(Signed)

“ Edward Wheeler.

“ John Macpherson.”

The co-operation of the Government of Fort St. George, with the spirit of the instructions from Europe, cannot be placed in

a clearer light than by the following extracts of letters from Lord Macartney ; and especially, that of the “ 11th January, 1782.”

It is to be observed that, during this period of time, Mr. Hastings was absent from the seat of government, at Benares ; and Sir Eyre Coote, second in Council, was in the Carnatic, at the head of the army. The administration devolved of course on Edward Wheeler, Esq. and John Macpherson, Esq. the two other members of the Supreme Council.

Extract from a Letter written by Lord Macartney, Governor of Madras.

“ Fort St. George, 3d November, 1781.

“ To John Macpherson, Esq. Member of the Supreme Council, at Calcutta.

“ After some anxiety at not hearing of your arrival at Calcutta, as soon as I wished, and expected, I have the pleasure, by Captain Ball, of your letters of the 16th, 18th, and 21st of last month. They afforded me very great satisfaction,

and fulfilled the dependance I placed on your friendship and exertions. The prospect of public prosperity, and private cordiality, opens itself now in such a manner, as to give me more spirits than I have had since my arrival.

“ The moment of the arrival of your letter, I carried the enclosure to the old Nabob. He received it, and me, with his wonted affability, and with apparent sensibility of your friendship.

“ The supply of money and provisions you sent us, was indeed most seasonable.”

From the same, to the same.

“ *Fort St. George, 24th November, 1781.*

“ Accept, my dear Sir, my best and most grateful thanks for your spirited exertions in favour of this settlement. Captain Lewis, in the “ Valentine,” is just arrived; he shall not be detained an hour extraordinary; and whilst he stays, he may be assured of every attention and mark of friendship in my power. If you had not sent us the five lacks of rupees, I know not what we should have done; we have actually no money to trust to, but what you send us.”

From the same, to the same.

" 3d December, 1781.

" I have this moment received your most kind and satisfactory letter, with the inclosed letter to the Nabob, for which I return you a thousand and a thousand thanks. It has made me very happy indeed. I shall write to you in a day or two, at large : in the mean time, I have the pleasure to tell you, that our business is settled at last with your old friend; I inclose to you a copy of the agreement."*

From the same, to the same.

" 21st December, 1781.

" Your promise of a supply of money, is the only thing that could keep up the spirits of this drooping settlement; and now, my dear friend, let me request that you will give me a hint (not

• The agreement here alluded to, was the Nabob's deed of assignment of the revenues of the Carnatic, to the India Company, during the war.

as a Counsellor to the Governor, but from Mac to Mac), what supply we may expect from you, and within what period. I am almost at my wit's end ; but you may rely on it, that I will do every thing that man can do to support the cause. Whilst I am alive, it will not be given up.

“ You shall hear from me regularly, at least once a week, if not oftener. I shall obey all your commands. I wish I could by any means engage the old warrior, Sir Eyre Coote, to stay with us. Do you try him with a letter on that ground.”

From the same, to the same.

On the Subject of the general System.

“ 11th January, 1782.

“ The “ Swallow ” arrived here this morning, and brought me your two most acceptable private letters, together with your public dispatch, which has given me infinite pleasure. I enter most heartily into all your political ideas. Your view of

things here, is entirely consonant with my own; and you will have my entire co-operation, to the best of my abilities and influence.

“ I have just received your letter of the “ 18th “ December,” by the Tappals. I am now, I think, in possession of all the lines of your plans. I like much your idea of the other Presidencies tending to Bengal. You will find no difficulty in me; but I think you will in others. But if you support me, I shall be able to carry into execution all your system.

“ To-morrow I shall dedicate to the perusal of your letters to Bombay, Goddard, Meadows, and ourselves; and, to the best of my judgment, take all the measures dependent upon me, and devise all the possible means for executing the ideas contained in them. You may rely on the most zealous and disinterested conduct on my part, in every instance of the public service.”

*Universal Peace with the Native States of
India, in August, 1786.*

The correspondence with the Country Powers, from Timur Shaw on the banks of the Indus, to the Sultan of Tidore in the Eastern Islands, as it stands recorded on the Bengal Consultations ; will best evince the respect, esteem, and confidence, which the Company's government inspired throughout Asia, at the period when the administration of those countries was delivered over to Lord Cornwallis, in the autumn of the year 1786. The Governor General, on the 7th of December, 1785, had entered a Minute on the Consultations, relative to the line of conduct which ought, in his judgment, to be regularly observed towards the Native Princes; who, if left to their own jealousies, would, he conceived, never disturb, or be

formidable to the British power.* The Marattas and Tippoo were actually at war in September, 1786. On those subjects, the Board of Controul gave their decided opinion and approbation, in the annexed extract from their General Letter to the Go-

* The gentlemen of the India service, who gave the most useful lights to the Government of Bengal, in 1785-6, relative to the situation, views, policy, and contests of the Native Powers, were

James Grant, Esq. Resident at the Court of the Nizam; where he discovered a work of the greatest importance, viz. the ancient revenue accounts of Bengal.

R. G. Farmer, Esq. of the Bombay Establishment, who was, after our first discomfiture in the Maratta war, a hostage with Scindia.

Lieutenant Colin Macaulay, of the Madras Establishment, who was for three years a prisoner in the hands of Hyder Ali and Tippoo Sultan, at Seringapatam.

Richard Johnson, Esq. who resided at the Court of Hyderabad, in 1785-6.

And Lieutenant David Anderson, of the Bengal Establishment; that gentleman was Minister on the part of the English Government at the Court of Scindia, when that Prince and the Mogul were forced to disavow their demands of the Bengal tribute.

The Governor General acknowledged repeatedly on the Company's records, his obligations to the zeal, knowledge, and great abilities of these gentlemen.

vernor General and Supreme Council of Bengal.

“ With respect to the rupture between the Marattas and Tippoo Sultan, your advices in the secret department of the 23d July last, have convinced us, that you clearly understand the line of policy which ought to guide your councils upon that, and on every occasion of disturbance between the Country Powers. And we have the utmost confidence in you, that in all cases, a pacific and defensive system will be invariably adhered to; not only on account of the wisdom of the policy itself; but, because the same is strictly enjoined by the late act of parliament.

“ *Whitehall, 8th March, 1786.*”

“ We direct that a letter be dispatched by the Secret Committee, in the usual form, according to the tenor of the foregoing draft.

(Signed)

“ *Henry Dundas.*

“ *Walsingham.*

“ *Mulgrave.*”

*Amity with all the foreign European
Establishments, in August, 1786.*

Extract of a Letter from the Governor General of Batavia, to John Macpherson, Esq. Governor-General of Bengal.

“ The Company’s servants at Chinsura have seized every opportunity to praise, according to worth, the favours shewn them by your Excellency in such a generous manner, concerning their rights and privileges: and I esteem likewise of my duty, to testify to your Excellency, by this opportunity, my particular acknowledgment for the same; whilst my friendly demand is, that your Excellency would be kind enough to shew to our nation a continuance of those proofs of well meaning, as has been shewn heretofore. . .

“ The restoration of the Dutch factories in Bengal, through your Excellency’s goodness, having already, in the month of October past, been completely obtained; that completion cannot be otherwise considered, than as an acceptable and agreeable thing. And we expect with eagerness the

same information from Ceylon about Trincomalé, and the places on the coast of Coromandel; the restitution of which has been stipulated by the treaty of peace.

“ Accept, therefore, my sincere thanks for the friendly succour shewn, as well as for the hearty-meaning wishes your Excellency has been pleased to express, about the peaceable possession of this, and the other territories of the Dutch company on the west of India.

“ The uninterrupted duration of the lately concluded peace between Great Britain and the Netherlands Republic, is to be wished; that the Dutch company might, by that means, be possibly enabled to retrieve the damages and losses she has sustained, during the late, and now finished war.

“ It is, therefore, with the utmost thankfulness that we accept in her name, the favourable offers made by your Excellency; it being a particular demonstration of the friendship and concern your Excellency is pleased to take about her welfare. Her concerns are likewise energetically recommended to your Excellency's attention, and powerful influence, with an entire assurance, that a profound acknowledgment shall always be preserved for those favours.

“ I unite with your Excellency in the hearty wishes, that the peace and tranquillity through whole Europe, may remain stedfast and durable.

“ I have the honour to be, with the most eminent esteem, Honourable Sir,

“ Your Excellency's most obedient

humble servant,

“ *Batavia,*

the 1st July, 1785.”

(Signed)

“ *W. A. Alting.*”

For the translation, L. W. Van Schellebeck, sworn translator.

The possession of Trincomalé in the island of Ceylon, had become an object of great contention during the last general war. By the stipulations of the treaty of 1783, France was bound to deliver it to England, in order to be restored to its former masters, the Dutch. The government of Madras, in consequence of instructions from Great Britain, sent, therefore, a considerable force to receive Trincomalé from the Marquis de Bussy ; but he refused to surrender, or to evacuate the place. An

appeal was accordingly made to the Supreme Government of Bengal, which, in the absence of the other members, was at that moment conducted by Mr. Macpherson alone. He, with a view to recover Trincomalé out of the hands of France, proposed, in a Minute entered on the Bengal Consultations of the "10th of October, "1784," that all required by them, was simply a receipt from the Dutch government, acknowledging the independent possession of Trincomalé. On this basis it was finally delivered over to the Dutch; who were assured by Mr. Macpherson (then become Governor General of Bengal), that their *independent possession* of the harbour and forts would be supported by England. Those assurances were even carried farther; and on the faith reposed in them was founded the good understanding, acknowledged to exist in the preceding letter from the Governor General of Batavia. In return for this demonstration of amity, the Governor General of Bengal received the most interst-

ing lights relative to the hostile views of France at that period, which were of a very alarming nature. Impressed with that information, he had, on his return home from Bengal to Europe, in May, 1787, repeated conversations with the Dutch Governor at the Cape of Good Hope, respecting the security of Trincomalé against the designs of France. Upon the 25th of July, 1788, he received the acknowledgments of Mr. Pitt, for a communication from the same governor, which relieved the anxiety occasioned in the British Cabinet, by a previous information from Madras, importing, that General Conway had sailed from Pondicherry, with an expedition, to take possession of Trincomalé. General Conway had, in fact, made the attempt; but the Dutch governor would not admit him into the fort: the garrisoning of which with French troops, was to be the first preparatory step, on the part of France, to the recommencement of war in Europe. Sir Archibald Campbell, then Governor of

Madras, entered fully, and with superior ability, into the spirit of these measures; as he did into that of every measure that regarded the honour and the interests of his country.

*Vast Arrears of the Company's Armies
liquidated in August, 1786.*

*Extract from the Letter of Sir John Dal-
ling, Commander in Chief at Fort St.
George, to Lord Sydney, Secretary of
State. Dated "Fort St. George, 14th
"December, 1785."*

"On this day the happy news is arrived, of Mr. Macpherson, the Governor General, having put in fair train, the liquidation of the whole arrears of the three Presidencies; and that an handsome sum of money is immediately to be dispatched, to satisfy the necessities of the native troops alone: (the first great point.) I may safely say to your Lordship, that I am astonished at the magnitude of the various, gloomy, and

distressing objects he hath wholly, or in part, altered the complexion of, by superior abilities and firm perseverance. As to the Carnatic, from its situation, however inferior, in other respects, to our greater dominions to the eastward, it is yet the principal root of the whole; to this he hath now given sufficient depth, by re-animating those affections, which I am persuaded were very nearly expiring; indeed, it would be a great pity should he not be allowed time to complete all things so ably commenced.

(Signed)

J. Dalling.

Secret Department.

Extract from a General Letter of the Court of Directors and Board of Controul, to the Governor General of Bengal. Dated "21st July, 1786."

"Having attentively perused the plan proposed by Sir John Macpherson, and adopted by you, for the liquidation of the military arrears

at our several Presidencies, we highly approve of the same, and are persuaded that it will be productive of the happiest effects: indeed, we have been advised from Fort St. George, that the seasonable relief you afforded to that Presidency, by the "Francis" and "Admiral Hughes," in order to enable that Government to carry this plan into execution, has already been followed by the most salutary consequences."*

Institution of a new System for the Bengal Treasury, possessing unexampled Credit.

In November, 1785, the financial distresses of the three India Presidencies were extreme. The arrears due to the armies, had produced much apprehension of interior convulsion. The restrictions against drawing upon the Company, were positive and strong; but necessity prevailed, and bills were offer-

* Sir John Macpherson was chiefly indebted to John Petrie, Esq. the present Member for Gatton, for the plan alluded to above. That gentleman had served the Company in a military, as well as in a civil capacity. The Governor General has acknowledged his obligations to Mr. Petrie in other instances, on the Company's Records.

ed at length upon England, on terms favourable to those who chose to advance their money.

- These offers, when publicly announced in the Bengal Gazette, produced, however, no effect. The alarm was so general, that every person, possessed of money, either kept it for his own immediate use, or employed it in buying up the Company's paper, which was at an enormous depreciation in the different Presidencies. Not a rupee could be raised by the usual drafts on the Company. In this serious dilemma, the Government General adopted a plan for the Bengal Treasury, which almost immediately relieved every embarrassment, and established the future credit of the Company on the firmest basis. The plan combined in its principles, the native or "Saukar" credit, with the abundance of European loans. It attracted into the public circulation, the specie which the natives usually concealed. As the strongest proof of this fact, a native of Calcutta, Nima Muluck, was a proprietor at one time, in this finance, to the amount

of fifty lacks of rupees, or about five hundred thousand pounds sterling.

On the 15th December, 1785, the Governor General addressed the Board, in a Minute which displayed, in every point of view, the real state of the finances of Bengal. It was authenticated and supported by official accounts. He proposed afterwards eleven separate resolutions.

These resolutions were unanimously adopted by the Board, and immediately announced to the public, in the Bengal Gazette, of the "29th December, 1785."

They established a regular and permanent constitution for the Treasury and finances of Bengal; they are explained fully upon the Records, and are still in operation in India.

The Governor General acknowledged his obligations, for the outlines of this plan, to William Larkins, Esq. Accountant General. There was likewise a committee of the Company's servants, and some intelligent free merchants of Calcutta, who gave the Bengal Government great lights on this occasion, and during the general reform.

REFORM.—A comparative Abstract Statement of the established Charges of the several Departments of the Bengal Government, as they stood on the 31st of January, 1785, the 31st of December, 1785, and the 30th of June, 1786; exhibiting the Increase and Decrease, in the Account of the established Charges of the *succeeding* when compared with those of the *preceding* periods.

General Department.	31st January, 1785.			Decrease.			31st December, 1785.			Increase.			Decrease.			30th June, 1786.		
	Ct Rs	A.	P.	Ct Rs	A.	P.	Ct Rs	A.	P.	Ct Rs	A.	P.	Ct Rs	A.	P.	Ct Rs	A.	P.
Civil	-	-	-	3,50,290	11	2	1,33,545	14	10	2,16,744	12	4	12,231	11	8	2,04,513	0	8
Military	-	-	-	14,65,594	3	6	2,63,251	1	7	12,02,343	1	11	30,801	2	6	11,71,541	15	5
Marine	-	-	-	40,099	11	2	3,781	4	10	36,318	6	4	3,999	12	5	32,318	9	11
Total	18,55,984	9	10	4,00,578	5	3	14,55,406	4	7	-	-	-	47,032	10	7	14,08,373	10	0
Revenue department	10,27,891	5	5	1,86,829	3	8	8,41,062	1	9	-	-	-	3,58,614	8	5	4,82,447	9	4
Commercial department	76,751	3	0	7,432	11	7	69,318	7	5	16,602	9	6	-	-	-	85,921	0	11
Grand total per month	A															B		
Ct Rs	29,60,627	2	3	5,94,840	4	6	23,65,786	13	9	16,602	9	6	4,05,647	3	-	19,76,742	4	3

Amount of the column A current rupees - 29,60,627 2 3

Amount of the column B - 19,76,742 4 3

Monthly decrease 9,83,884 14 0

Amount of annual decrease - 1,18,066 18 8 0

Additional decrease effected before 1st Oct. 1786 48,283 0 0

J. CHEAP,

(Signed)

“Fort William, Accountant
General’s Office, “18th
“Sept. 1786.”

Total rupees 1,18,549 01 8 0 Exclusive of savings in contracts, &c. &c.”

Reform of one million two hundred thousand Pounds, (£1,200,000.) sterling per Annum, in the Expenditure of the Bengal Government.

Extract from the Letter of the Court of Directors, to the Governor General and Council of Bengal. Dated "16th March, 1784."

" In the month of November last, a bill was brought into Parliament, vesting the whole property and management of the East India Company, in Commissioners therein named, which was immediately followed by a Regulation Bill, grounded on the powers so to be established.

" The first Bill having passed the House of Commons, was rejected by the House of Lords, and a change of Administration immediately ensued.

" The present Ministers held communication with the Company, on the principles of another Bill, which having been brought in, with the Company's concurrence, after the Christmas recess, was, on the second reading, rejected by the House of Commons.

“ For your better information, we inclose printed copies of all the three Bills; also of the state of the Company’s affairs, as proved at the bar of the House of Lords; and of the resolutions of a General Court, held the 10th January, 1784, concerning the principles of the last Bill.

“ The House of Commons, on the 23d ultimo, made an order, that this Court should state the mode and extent of Parliamentary interference necessary for the relief of the Company’s affairs, which unavoidably led to a review of the whole of our resources and situation; the result of which we inclose, in a printed copy of our Report to the House of Commons.

“ We think it proper thereon to observe to you, that whilst we have deemed it prudent to confine the representation of our hopes from the resources in India, within the most modest limits, and far within what you must well know to be their just value; we do not the less rely on the exertion of your utmost endeavours, not only to make them as productive as your own estimates* warrant; but, to continue and extend your retrenchments of expence, and improvement of revenue, to the utmost limits of prudence and justice.

* In these estimates an error of upwards of a million sterling was afterwards discovered.

Convinced as we are, that much remains of this sort still to be done, which depends upon local and temporary circumstances, such as cannot be made the objects of our special direction; but which must rest where we with confidence and satisfaction rest them; upon your zeal, integrity, and ability.

“ All that we can contribute to your success in these particulars, is the express sanction of our authority, which we hereby commit to you, for the carrying into immediate effect all such regulations of our establishments, civil and military, as shall appear best calculated to reduce the expence thereof within limits which you can defend as reasonable; and which we are confident will be found far within the sums which, to obviate cavil, we have in our estimate assumed.

“ It cannot escape your observation, that in the present situation of affairs, it may, and probably will, prove essential *to the Company's existence*, that the general result of our affairs should, at least, verify the representation to which we have *pledged our opinion*.

“ And upon the whole of the view we now give you of our affairs, we shall be glad to receive your opinions on every point you think important to be further discussed; together with such

materials as you think may tend to elucidate the same; and we desire you will not fail to give us the fullest advices of all your proceedings and prospects on the important subjects of this letter.

“ We are, your affectionate friends,

(Signed)

“ *Nathaniel Smith.*

“ *W. Devaynes.*

“ *John Roberts.*

“ *L. Sullivan.*

“ *W. Bensley.*

“ *John Hunter.*

“ *John Michie.*

“ *Joseph Sparkes.*

“ *J. Smith.*

“ *Jacob Bosanquet.*

“ *Thomas Parry.*

“ *George Tatem.*

“ *Lionel Darell.*

“ *B. Hall.*

“ London, the 16th March, 1784.”

The Governor General and Council of Bengal submitted the report and estimates of the Company, to their Accountant General, who gave a long opinion on the subject. Mr. Hastings was then on the eve of his departure for Europe. His successor wishing at once to support "*the existence of the Company,*" and to place the practical realization of their reports beyond the possibility of failure, called upon the Accountant General to inform him confidentially, not what outstanding balances, or surplus by estimate, could be realized; but to state "*what effectual reform in the annual expenditure of Bengal* would verify the report made by the Company to Parliament?" He received the following answer to his Inquiry.

" 27th November, 1784.

" I have attentively perused your remarks, most of which are unanswerable.

“ The reductions required (to verify the report) are these :

		Lacks.
Civil	-	13
Military	-	60
Marines	-	1
Land revenue		10
General customs		1

— 85 Lacks of rupees, or
£ 850,000. sterling per
annum.”

With these data, upon which to ascertain the necessary amount of the reform, the Government of Bengal began the work ; and they had already retrenched the sum of six hundred thousand pounds sterling in their annual expenditure, before they received any specific directions from the Company on that point. The coincidence between the retrenchments *executed in Bengal*, and those *ordered*, about the same time, *in England*, was not a little remarkable. The President of the Board of Controul, when

he laid the complete statement of these reductions before Parliament, had certainly a right to call that day, "*a proud day for England.*" A reform in the annual expences of a dependent province, which equalled the aggregate revenues of some of the second rate states of Europe, was as honourable to those who planned and executed it, as it was beneficial to Great Britain.

It is not unworthy of remark, that notwithstanding the vast amount of, and the salutary effects arising from, that reform, the Company were not subjected to the smallest extra expence, by remunerating in any shape the Governor General, who took the lead in enforcing its execution. They were only pleased to give him the salary of the vacant office of a *Member of the Supreme Council*, from the time that he left Bengal, till it was filled up in India: or, in other words, the parliamentary salary of a seat, which he had not resigned; in which he had sometimes carried on the whole duty of government, with only one member of the Board;

long, with two ; and at a critical period, alone. The strict letter and construction of the law would have been more favourable to him. He had succeeded to the office of Governor General, by regular and lawful devolution, under the provision of two express Acts of Parliament, and with an original commission under the *sign manual* of the King. The act which was hastily passed, after Earl Cornwallis had embarked for India, and which was meant to legalize his Lordship's commission, in default of the sign manual, *did not specially abrogate the original commission of his predecessor*, which had been granted under that high prerogative of the crown. But it is a principle of the British constitution, universally recognized, that no right of the prerogative can be done away, even in Acts of Parliament, *by implication*. The opinion of William Grant, Esq. Member of the present Parliament, one of the Justices for Wales, and distinguished for his legal knowledge ; as well as those of other eminent lawyers, upon this point,

might be produced, if necessary. The defect in the legality of Lord Cornwallis's commission was perfectly known, at the time, to the Governor General whom he superseded ; but who, as he had previously written to his Lordship, readily transferred it to his virtues.

The circumstances of the case were stated, at the same time, to the King's Ministers, in England ; and they are only related on the present occasion, merely to attract a proper attention towards that liberal spirit which should ever attend the conduct of men placed in great public stations, in order to carry on successfully the business of the state.*

* In the execution of the reform of the Company's expenditure in Bengal, the Governor General acknowledged his great obligations to the Commissary General, Sir John Murray, Bart. and to his assistant, the late Mr. Henry Wilson.

*Extract of a separate Letter from the Court
of Directors, to the Government General of
Bengal. Dated "12th April, 1786."*

" We have seen, with much satisfaction, the active attention you have paid to the reduction of our enormous revenue establishments; and entirely approve the several retrenchments stated in your Board of Inspection letters of " 25th " March, and 31st July, 1785." In this, you have anticipated the remarks we intended to have made upon several articles, which a minute review of the offices in the revenue department, had shewn us to be superfluous, or extravagant.

" We trust that you have proceeded without relaxation, in this important and necessary work; and that the ready submission of our servants to a system of subordination and economy, will enable you to accomplish the intended reform, without calling for any exercise of those extraordinary powers, which we have delegated to you. We are sensible of the zeal and activity you have already displayed; and you may be assured of receiving from us, and from the superior Administration of this country, in every stage of the business,

that *co-operative support* in the most liberal and useful extension, which you solicit in your letter of the “ 25th March, 1785.”

Unanimous Thanks of the East India Company to the Governor General, for the Reform executed in Bengal.

Extract of the General Letter of the Court of Directors, to Bengal. Dated “ 12th April, “ 1786.”

“ We have the pleasure to acquaint you, that the Court of Directors have come to the following resolution, viz.

“ RESOLVED UNANIMOUSLY, That the thanks of this Court be given to John Macpherson, Esq. for his meritorious conduct to this Company, in the reform and reductions in the expences of the Government of Bengal, during his presiding in the chair at that Presidency; and for the zeal and abilities he has shewn therein.”

*Additional Documents.**Danger from the Views of France.*

The imminent danger to which the British empire in India was exposed, by the enterprising ambition of the French government, after the peace of 1783, will strongly appear in the following extract from "the Marquis de Bouillé's Memoirs," just published, page 41. The manner in which the embarrassments arising from the 13th article of the treaty of 1783, were met, discussed, and happily adjusted, will be best displayed by the official extracts, and French letters which are here annexed. The great merit of the issue of the negotiation alluded to, was unquestionably due to the zeal, temper, and ability, with which the late Colonel Cathcart executed the instructions given to him by the Government General of Bengal.

Extract from the Marquis de Bouillé's Memoirs, page 41. Published in October, 1797.

“ At the moment I was preparing to depart for Russia, I received an order from Government, immediately to return. On my arrival, I was acquainted by the Ministers, with a project relative to the East Indies. The object of this was, to unite the French and Dutch forces, in an attack upon the English possessions; to restore to the Princes of the country, the provinces conquered from them by the English; and to obtain and secure for *the two nations*, factories and commercial establishments, which were to be free to the whole world. The means employed to insure success to the enterprize, were an army of eighteen thousand men, independent of the garrisons already in that country: twenty millions of livres in specie: and a naval force able to oppose that of the English in the East Indies. Trincomalé, in the island of Ceylon, was the place destined for the rendezvous of the troops, and the repository of the military magazines. One third of the forces, as well as of the sums necessary, and stores and provisions of every kind, were to

be furnished by the Dutch, who had requested that I might have the command of the expedition, which was in consequence offered me. I accepted it, on condition that I should not be under the controul of the Dutch commercial companies; but, that the States General should appoint a military committee, to regulate and direct whatever concerned the war, which was agreed to. This plan, of which I have given a sketch, was very extensive in its branches; but the time of its execution was yet at some distance; as I saw no preparations for war, nor any reasons to declare it, I therefore remained in France, expecting that event to take place."

Extract of a Letter to the Secret Committee of the Court of Directors, from the Governor General. Dated "Fort William, 10th August, 1786."

"The treaty between France and Holland, I had long foreseen: and I had endeavoured to counteract it from India, in a correspondence

with the Governor General of Batavia, and by other means.

(Signed)

“ John Macpherson.”

*Dispute with the French Government,
on the Subject of the 13th Article of
the Treaty of 1783.*

Extract of the Minute of the Governor General of Bengal. Consultations, “ 17th January, 1786.”

“ In what manner then are disputes, which necessarily arise, in ascertaining rights so circumstanced, to be settled with justice, or according to the law of nations? The question is important, on the supposition that Great Britain and France are equally disposed to discuss it with temper, and to accommodate its difficulties. If the views of the Administration of Versailles are to be judged of by the claims of their agents in India, justice, moderation, and amicable arrangement,

are wide of their pursuit. The proofs of this assertion, which I venture to advance, are founded incontestibly in the letter of Mr. Moneron, the deputy from Mr. Bussy, to the deputy of Fort St. George, on the "21st November, 1783." In the letter of Mr. Dangereux to this Government, of the "9th July, 1785." In the letter of the Viscomte de Souillac, to the Government of Fort St. George, of the "5th October, 1785." And, above all, in the letter of Mr. Cossigni, to this Government, dated the "28th November, 1785," and in that of the "27th December, 1785," from Mr. Dangereux. It is not from the unreasonableness, but from the inconstancy and contradiction of the different privileges claimed by those separate agents of France, that it becomes evident, that their construction of the 13th article is vague, various, and impracticable.

"The Court of Directors, and the Ministers our nation, will have little difficulty in proving, from the materials which we have lately transmitted to them, that we have endeavoured to fulfil our part of the late treaty of peace; and it is evident that the French agents have been averse to accede to the stipulations of the treaty. In proportion as we have been desirous of fulfilling them, they fly from every agreement, and under-

value every concession. The last letter (received by our Commissary, on the 7th January), from Mr. Dangereux, upon record, contains a strong proof to this point. Yet, I do not mean to charge the agents of the French nation with illiberal designs. I am willing to suppose that the terms in the treaty, "safe, free, and independent commerce," have led them astray; and that their anxiety to act up to the letter of the treaty for their nation, has led them to this extraordinary construction of it.

"I conceive it to be not only our duty to state to the Company, the difficulties we have met with on the present occasion; but, to make an effort to draw the attention of the French Governor General in India, to some reasonable and practicable adjustment of the real obligations of the 13th article, upon both sides: and, to endeavour to prevail on them to unite with us, in a fair and candid proposition to our respective courts in Europe; such as may prevent, or delay for a time, the natural consequences of a misconception upon any side, of the points in dispute. For, we are not to suppose it impossible but we may be, to a certain degree, influenced by prejudice, or local opinions.

"In a calm and liberal view of the subject upon

every side, divesting myself, as much as possible, of official prejudice, I have considered what points the mutual pride and interests of our respective nations might agree in, as a basis for harmony and justice.

“ To surrender and concede those privileges which the agents of France demand, would evidently be a surrender of the security of our possessions, without a public benefit to France, but such as might arise from our destruction of our own force.

“ It is better to meet the question fairly, and upon firm ground, before we make such dangerous concessions; and it is proper that not only our own court, but that of France, should be thoroughly apprized of the real merits of the question on both sides, before we are plunged into acts of violence and hostility, which may not admit of subsequent accommodation.

“ To place the whole of this important question in as clear a light as possible to the Government General of France in India, and to endeavour to obtain its consent to an amicable reference of the points in dispute, to our respective courts in Europe. I propose, that a person properly commissioned and qualified, be deputed to the French Governor General, as a Minister

Plenipotentiary upon the part of this Government; and for this delicate and important negotiation, I submit it to the Board, whether the Honourable Lieutenant Colonel Cathcart may not be a proper and fit person.

“ If the Board approve of his nomination to this appointment, he will be ready to proceed in the “ Fox ” packet, which will land him, and leave him at Mauritius : or, should the French Governor General not choose to receive him; and from circumstances of suspicion, or military preparations at the French Islands, prevent his landing, he should, in that event, be empowered to proceed directly to Europe ; leaving a protest against the French Governor, for not receiving the Minister of this Government, properly authorized and commissioned to adjust the points in dispute.”

Extract of a Letter from the Governor General of Bengal, to the Governor General of the Isle of France. Dated “ Calcutta, “ 26th January, 1786.”

“ If I can trust to the justice of my real opinions, I may safely say, that there is not a sen-

timent in this address, which is either disguised or affected. I write to your Excellency upon the most interesting subjects that can arise among men; upon subjects which grow into the importance of securing the repose, or creating the distresses, of nations. I call therefore upon your Excellency, to unite with me in promoting the general welfare."

Extract of a Letter from the Governor General of the Isle of France, to the Governor General of Bengal. Dated "30th April, 1786."

"J'ai crû devoir repondre à la manière franche, loyale, et non officielle, dont votre Excellence m'a fait l'honneur de m'écrire. Je prends la liberté de l'assurer, que non moins pénétré qu'elle, du bien inestimable qui resulterait pour nos deux nations, d'une paix longue, et cimentée par les avantages mutuels, et l'estime reciproque, je désirerois *que l'état des choses fut tel*, qu'il ne subsistat plus entr'elles, que cette noble émulation nationale, dont l'un et l'autre sont dignes.

“ J’ai l’honneur d’être, avec une considération, et une estime parfaite,

“ de votre Excellence,

“ le très humble et

“ très obeissant serviteur,

(Signed) “ *Le Vte. de Souillac.*”

Extract from a Letter of the Comte de Rosily, who came to Calcutta with the Convention of Mauritius, to the Governor General of Bengal. Dated “8th September, 1786.”

“ Les idées de Mons. le V^{te} de Souillac, et les votres s’assimiloient si heureusement, qu’il ne pouvoit en resulter qu’un bien reciproque aux deux nations. Il me sembloit même, que vous aviez plus d’avantage à vous regarder comme souverains de ces pays, que d’agir comme marchands rivaux. En considerant les suites de l’augmentation de revenus, par l’argent des nations étrangères, qui auroit reflué chez vous, vous laissiez aux autres une apparence de liberté, qui les auroit flattés. Vous ôtiez l’humiliation, germe de mécontentement; et vous retiriez en consequence un benefice réel, par le point de vue en

grand, de libéralité, que vous aviez adopté. Et en sacrifiant peu sur de petites choses, vous auriez eû l'avantage de ménager l'honneur d'une nation, dont la foiblesse en ce pays, ne diminue point la grandeur, ni les ressorts, en d'autres parties. Vous vous seriez acquis une bienveillance, et ouvert une liaison, qu'on paroît en ce moment vouloir adopter en Europe; ce qui prouve combien votre idée étoit vraiment politique. Et je ne doute point que les ordres, que l'on recevra à la suite des ouvertures faites entre vous et Mons. le V^e de Souillac, ne tendent à cette démarche. De mon côté, en vrai citoyen du monde, et serviteur fidèle de ma patrie, je le desiré.

(Signed)

“ *Rosily.* ”

This letter was transmitted to the Court of Directors.

*Letter from the Comte de la Luzerne, written
by Order of Louis the Sixteenth, to Sir
John Macpherson, Bart.*

“ Direction Générale.

“ A Versailles, le 3 Mai, 1788.

Ports. “ Dès que j’ai eu connoissance des hon-
netetés dont vous, Monsieur, et M^{rs} du Conseil
Superieur de Calcutta, avez comblé M. le C^{te}
de Rosily, commandant la fregate “ *La Venus*,”
pendant son séjour en cette rade, je me suis em-
pressé d’en rendre compte au Roi; qui appre-
ciant les égards et les attentions distinguées, que
vous avez prodigués à ce Commandant, ainsi qu’à
son état major, m’a parû desirer, que quelque
circonstance heureuse fournit à sa marine, et aux
Administrateurs de ces Colonies, les moyens d’y
repondre. Aussi sa Majesté m’a-t-elle expres-
sément chargé, de vous transmettre la satisfaction
qui lui a causé une façon d’agir, qui vous ca-
racterise si honorablement. Elle m’a ordonné,
en même tems, de faire connoître à la Cour de
Directeurs de la Compagnie, combien elle a été
sensible aux procédés non moins delicats, du

Conseil de Calcutta ; et c'est avec un vrai plaisir que je remplis ses intentions.

“ J'ai l'honneur d'être, avec la plus parfaite consideration, Monsieur, votre très humble, et très obeissant serviteur,

“ *La Luzerne.*”

Answer of Sir John Macpherson, to the preceding Letter addressed to him by the Count de la Luzerne.

“ *Londres, 28 Juin, 1788.*

“ Monsieur le Comte,

“ Monsieur le Marquis de la Luzerne m'a remis, de la manière la plus obligeante, la lettre que votre Excellence m'a fait l'honneur de m'écrire, par ordre du Roi de France.

“ Les politesses que le Gouverneur General, et Mess. du Conseil Superieur de Bengal, ont temoigné à Monsieur le Comte de Rosily, et aux officiers de la fregate la “ *Venus,*” furent, dans tous les tems, recommandées par les instructions et les ordres qui sont envoyés d'Angleterre.

Elles étoient dues particulièrement au mérite personnel de Mons. le Comte de Rosily, et Mons. le Chevalier de Lomenie; et sans tous nos efforts, et tous nos soins, il nous eut été difficile d'acquitter le Gouvernement Anglois de l'accueil flatteur que Mons. le Vicomte de Souillac venoit de faire au Colonel Cathcart, pendant sa mission à l'Isle de France.

“ Cette circonstance de renouveler les egards reciproques, qui se doivent nos deux Gouvernements aux Indes, eut des suites heureuses. Et les différentes puissances de l'Indostan ne purent voir, sans un intérêt précieux, les agens de nos deux nations, à la suite d'une guerre, qui avoit affligée presque tous les états de l'Asie, rivaux dans les démonstrations d'amitié, faire un échange heureux de ces marques de bienveillance, et d'estime mutuelles, qui peignent si bien le caractère et les manières des Européens.

“ Je n'ose vous exprimer, Monsieur le Comte, le respect, qu'imprime sur moi cette volonté véritablement Royale, qui considérant ces procédés avec attention, cherche à les encourager par des titres honorables de sa satisfaction. L'honneur, et la bonté qui en font également le prix, en m'imposant une reconnoissance particulière,

appartiennent à la nation que j'ai eu l'honneur de servir.

“ J'y trouve pour mon cœur, et mon amour propre, la distinction glorieuse, d'être regardé par sa Majesté très Chretienne, comme un sujet fidèle à sa nation, qui a travaillé avec succès à cultiver, jusque dans les plus légères circonstances, cet accord sincere, qui doit augmenter la prospérité de nos deux nations ; et qui (s'il m'est permis de le dire,) ne sauroit être indifférent au repos et au bonheur de toutes les nations du monde.

“ J'ose me flatter que votre Excellence voudra bien agréer les hommages de ma reconnoissance, et du profond respect avec lequel j'ai l'honneur d'être, Mons. le Comte,

“ votre très humble,

“ et très obeissant serviteur,

“ *John Macpherson.*”

The preceding Documents and Extracts from the Public Records, are worthy of Attention in three points of view.

1st, As they explain the views of the administration of this country, at the beginning of the year 1781; a most critical period, when the fate of America was still undecided.

2dly, As they state the measures which aided to realize those public views, and which may be now adopted with success, and improved to meet the far greater embarrassments of the present day.

3dly, As they demonstrate, from a fortunate experience of the past, the mode and spirit of negotiation which are most likely to prove successful in treating with the present Government of France.

Had there been any wish or intention, exclusive of the great public objects here laid down, to attach a personal merit to the

services of the principal agent in these transactions, other facts might have been brought forward, and original letters produced in proof of them. These Documents would have demonstrated the share which he had in persuading the Nabob of Arcot to assign over his revenues to the Company, in the year 1781; a measure, which more than any other, conduced to extricate the Carnatic from its deplorable state of ruin, and from the hands of Hyder Aly! They would have explained the manner in which the subscription investment of goods, sent to this country from India, in the season of 1781-2, at a reduction of 20 per cent. in the usual costs of purchase, was fortunately provided by Mr. Hastings. A reduction, by which that Governor acquired the greatest honour, and the principles of which have been followed in all succeeding investments! They would have shewn the exertions by which four millions and a half Sterling were realized from the provinces of Oude, at a time when the Company's

treasuries were exhausted. They would have detailed the measures, in consequence of which Treasury patronage, and the established practice of compounding revenue-balances, were completely done away ; while the Governor General and Council of Bengal accepted their own salaries in a depreciated paper money. They would have laid open the proceedings, in consequence of which, the dispute between the army and government of Madras, towards the close of 1785, was happily conciliated. They would have particularized the means by which Scindia and the Mogul were obliged to disavow, and to abandon their demands of the Bengal tribute. They would, lastly, have disclosed the plan by which Tippoo Sultan was compelled to remain in a state of quiescence and peace, at a moment when the Carnatic lay open to his invasion ; when our forces were incapable of taking the field, and when our army was twelve months in arrears. But these are subjects of interior administra-

tion, and confidential policy, unfit to be disclosed at present.

The Documents relative to them are not lost ; and circumstances may one day arise, to render their publication necessary.

THE END.

